



African fishing restrictions may affect co-op with China

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By Li Jiabao (China Daily)

The fishery industry will be a highlight of China-Africa business ties over the next three to five years, but an industry expert warned that restrictions imposed by African governments could impede the growth of the sector.

Speaking at the 2012 China-Africa Fishery Forum, Wei Jianguo, vice-chairman and secretary-general of China Center for International Economic Exchange, said that fishery cooperation held great potential, against the backdrop of booming Chinese investment in Africa.

"Chinese investment in Africa will probably hit \$2.3 billion or \$2.4 billion in 2012 and surge to \$4 billion in 2013. That does not include Chinese aid to the continent," said Wei, a former vice-minister of commerce.

China's non-financial outbound investment in Africa reached \$1.7 billion in 2011, according to the Ministry of Commerce.

Wei added that Africa will replace the European Union as China's biggest trade partner in the next three to five years, and China-Africa fishery cooperation has entered a new era amid closer bilateral ties.

"Both sides realize the necessity of shifting to fish farming in Africa rather than exhausting natural resources. In addition, we need to expand the scope of cooperation through investment in refrigeration plants, processing factories and shipyards," Wei said.

However, Huang Baoshan, vice-president of China Overseas Fisheries Association, said he did not see a bright future for China-Africa fishery cooperation "unless African countries change their policies restricting foreign businesses".

The restrictions include limits on financial remittances back to China, restricting the landing of Chinese crews and granting sales rights for catches to local companies, all of which Huang said has dented the willingness of Chinese fishery companies to invest in Africa.

China is the biggest participant in the African fishery industry, followed by the United States, the European Union and Japan.

Sino-African fishery cooperation is worth around \$6 billion annually, and results in an annual yield of around 500,000 metric tons.

Huang said that half of this output is processed and sold to the EU, while one-third is sold to China.

"Africa's fishery industry has huge potential and it can also be a good way for underdeveloped African economies to get out of poverty," he added.

In addition to creating around 50,000 jobs a year, Chinese fishery companies in Africa also train around 10,000 local workers in high seas and inland fishing techniques every year, according to Huang.

Tanzanian Ambassador to China Philip S. Marmo said his country, which has an annual output of 350,000 tons of fish, welcomes investment by Chinese fishery companies, which he said would help improve the skills level in Tanzania's fishery industry.

Ayman Aly Osman, minister plenipotentiary commercial of the embassy of Egypt, said that fishery cooperation between China and Africa will be promising as China has advanced fishing technology, vessels and experience in research and production management.

He noted that China has been the world's largest exporter of fish and fish products since 2002, and 2011 saw China's exports, mainly to Japan, the US and South Korea, reach \$8 billion. The country is also the world's sixth-largest importer of fish and fish products, which were worth \$4.5 billion in 2011.

"China's fast-growing market for fish and fish products will also brighten fishery cooperation between China and Africa, where fishing equipment is underdeveloped but labor costs are low," said Wang Cheng'an, vice-president of the Chinese Society for African Studies.

Zhang Huoli, chairman of Lianjiang Farsea Fishery Co Ltd in Fujian province, said that the company is planning to send dozens of fishing vessels to Africa in 2013.

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